



August 12, 2013

Mr. Andre Dupret, Project Manager
City of Maywood
4319 Slauson Avenue
Maywood, CA 90270

Dear Mr. Dupret:

Subject: Objection of Oversight Board Action

The City of Maywood Successor Agency (Agency) notified the California Department of Finance (Finance) of its June 12, 2013 oversight board (OB) resolution on June 19, 2013. Pursuant to Health and Safety Code (HSC) section 34179(h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 13-4, authorizing the transfer of property with parcel number 6311-26-902, located at 5515 Maywood Avenue to the City of Maywood (City) as a governmental purpose is not approved at this time. Prior to approval of a Long-Range Property Management Plan (LRPMP), disposal of properties are only authorized if the property was constructed and used for a government purpose as defined in HSC section 34181 (a), or pursuant to an enforceable obligation. Neither of these conditions applies.

It is our understanding on February 9, 2010, the City of Maywood Community Development Center (CDC) entered into a Donation Agreement with Trust for Public Land (TPL), whereby the CDC would provide the parcel of land and TPL would provide the funds, design, and construction resources to develop Maywood Avenue Park. In turn, the CDC would commit to maintaining the park. While the Donation Agreement constitutes an enforceable obligation, the agreement does not specifically require the transfer of this property to the City. Therefore, an enforceable obligation requiring the transfer does not exist.

HSC section 34181 (a) would allow this property to transfer to the City if it was constructed and used as a government purpose. While the intent of this property clearly meets the definition of a government purpose, to date, park construction has not commenced. As such, the property does not currently serve as a governmental purpose and is ineligible for transfer at this time.

The disposition of this property should be included in the Agency's LRPMP. The Donation Agreement and corresponding grant award from the California Department of Parks and Recreation to the TPL clearly support the Agency's intent to construct a park. Therefore, assuming the Agency's disposition plan for this property remains materially the same as this OB Resolution, Finance would not object to the transfer of 5515 Maywood Avenue to the City as a government purpose once placed on the LRPMP.

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As authorized by HSC section 34179 (h), Finance is returning your OB action to the board for reconsideration. This is our determination with respect to the OB action taken.

Please direct inquiries to Kylie Le, Supervisor, or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Szalay", with a large circular flourish on the left side.

STEVE SZALAY
Local Government Consultant

cc: Ms. Yolanda M. Summerhill, Assistant City Attorney, City of Maywood
Ms. Regina Tercero, Successor Agency Finance Manager, City of Maywood
Ms. Kristina Burns, Manager, Los Angeles County Department of Auditor-Controller
Mr. Steven Mar, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office